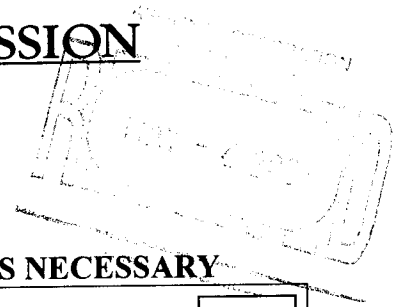


5-7-01
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W

W-02470A WATER
WHITE MOUNTAIN WATER COMPANY
5809 FARNSWORTH RANCH RD
SHOW LOW AZ 85901-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
----	----	------

FOR COMMISSION USE

ANN OF	00
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COMPANY INFORMATION

Company Name (Business Name) White Mountain Water Co

Mailing Address 5809 Farnsworth Ranch Rd
(Street)

Show Low AZ 85901
(City) (State) (Zip)

520-537-8600
Telephone No. (Include Area Code)

Fax No. (Include Area Code)

601-3497
Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 5809 Farnsworth Ranch Rd
(Street)

Show Low AZ 85901
(City) (State) (Zip)

520-537-8600
Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

601-3497
Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Jon Cheney President
(Name) (Title)

5809 Farnsworth Ranch Rd Show Low AZ 85901
(Street) (City) (State) (Zip)

520-537-8600
Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Same ↑
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: Jon Cheney (Name)
5809 Earnsworth Ranch Rd (Street) Show Low (City) AZ (State) 85901 (Zip)
520-537-8600 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: _____ (Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input checked="" type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

White Mountain Water Co

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	2140	2140	-0-
302	Franchises	—	—	—
303	Land and Land Rights	8,000	—	8,000
304	Structures and Improvements	1719	1716	3
307	Wells and Springs	31362	19423	11939
311	Pumping Equipment	22889	25,800	3089
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	39,900	25812	14088
331	Transmission and Distribution Mains	139,589	132,215	7374
333	Services	39,534	37,187	2347
334	Meters and Meter Installations	4552	4456	96
335	Hydrants	28,000	28,000	-0-
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	475	475	-0-
340	Office Furniture and Equipment	—	—	—
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	383	383	-0-
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	324,543	277,607	46,936

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

White Mtn Water Co

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	2140	0	0
302	Franchises	—	—	—
303	Land and Land Rights	8,000	—	—
304	Structures and Improvements	1719	2.15	37
307	Wells and Springs	31362	4.43	1388
311	Pumping Equipment	28889	1.8	520
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	39,900	4.95	1975
331	Transmission and Distribution Mains	139,589	6.06	8465
333	Services	39574	6.66	2636
334	Meters and Meter Installations	4552	2.7	123
335	Hydrants	28000	0	0
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	475	0	0
340	Office Furniture and Equipment	—	—	—
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	383	0	0
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	TOTALS	324,543		15,144

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

White Mtn Water Co

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4162	\$ 842
134	Working Funds	6	
135	Temporary Cash Investments	63,000	105,000
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 67,162	\$ 105,842
	FIXED ASSETS		
101	Utility Plant in Service	\$ 312,283	\$ 324,544
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation -- Utility Plant	262,463	277,607
121	Non-Utility Property		
122	Accumulated Depreciation -- Non Utility		
	TOTAL FIXED ASSETS	\$ 49,820	\$ 46,937
	TOTAL ASSETS	\$ 116,982	\$ 152,779

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

White Man Water Co

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		7109
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ —	\$ 7109
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 75202	\$ 75202
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	162003	124,432
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 162003	\$ 124,432
	TOTAL LIABILITIES	\$ 237205	\$ 199,634
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 35000	\$ 35,000
211	Paid in Capital in Excess of Par Value	49232	49,232
215	Retained Earnings	(209,455)	(131,087)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (120,223)	\$ (46855)
	TOTAL LIABILITIES AND CAPITAL	\$ 116982	\$ 152779

COMPANY NAME

White Mtn Water

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 69,525.92	\$ 86,038.59
460	Unmetered Water Revenue		
474	Other Water Revenues	452.00	520.00
	TOTAL REVENUES	\$ 69,975.92	\$ 86,558.59
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	5784.05 5784.05	7,752.70
618	Chemicals		
620	Repairs and Maintenance	5644.24	3,209.67
621	Office Supplies and Expense		297.00
630	Outside Services	16,943.65	20,923.98
635	Water Testing	1200.00	
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	1200.00	1,042.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	30.00	
403	Depreciation Expense	16,058.00	15,144.00
408	Taxes Other Than Income		
408.11	Property Taxes	2224.96	2,438.45
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 49,084.90	\$ 50,807.80
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ -0-	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	7,109.30	7,109.30
	TOTAL OTHER INCOME/EXP	\$ (7,109.30)	\$ (7,109.30)
	NET INCOME/(LOSS)	\$ 13,781.72	\$ 28,641.49

COMPANY NAME

White Mt. Water

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/85 renewed on 4/1/93			
Source of Loan	Jon Cheney			
ACC Decision No.				
Reason for Loan	operating costs			
Dollar Amount Issued	\$ 85,000	\$	\$	\$
Amount Outstanding	\$ 75,202.30	\$	\$	\$
Date of Maturity	renewed annually			
Interest Rate	10%			
Current Year Interest	\$ 7,109.30	\$	\$	\$
Current Year Principle	\$ -0-	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ -0-

Meter Deposits Refunded During the Test Year

\$ -0-

COMPANY NAME

White Mtn Water Co

WATER COMPANY PLANT DESCRIPTIONWELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
511177	20	130	8"	2 2"
applied for	5	25	6"	2"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	1	33	
15	1		
1.5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
65,000	2	5,000	1

STATISTICAL INFORMATION

Total number of customers 142

Total number of gallons sold 13,800,620 gallons

COMPANY NAME White Mountain Water Co YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 2438.45

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability Sub's' corp "none"
_____State Taxable Income Reported _____
Estimated or Actual State Tax Liability no

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Jon Cheney
SIGNATURE4/2/01
DATEJon Cheney
PRINTED NAMEPresident
TITLE

COMPANY NAME White Mtn Water Co YEAR ENDING 12/31/2000

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 2,438.45

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

* CURRENT INC. • TO RECORDER: 1-800-724-7244 • NATURE'S MAJESTY

WHITE MOUNTAIN WATER COMPANY

602-537-8600
HC 31 BOX 138
SHOW LOW, AZ 85901

929-71-000

522

10/30/00 19

91-2/1221

Pay to
the order of

Naraja County Treasurer

\$ 1,266.17

One thousand, two hundred and sixty-six and 17/100

Dollars

BANK ONE, ARIZONA, NA

SHOW LOW OFFICE (037)
SHOW LOW, ARIZONA

For

Jon Chery

MP

1 2 2 1 0 0 0 2 4 1 0 5 2 2 0 9 4 4 5 4 4 4

0000 1 2 6 6 1 7

* CURRENT INC. • TO RECORDER: 1-800-724-7244 • NATURE'S MAJESTY

WHITE MOUNTAIN WATER COMPANY

602-537-8600
HC 31 BOX 138
SHOW LOW, AZ 85901

929-71-000

497

5/1/00 19

91-2/1221

Pay to
the order of

Naraja County Treasurer

\$ 1,172.28

One thousand, one hundred and seventy-two and 28/100

Dollars

BANK ONE, ARIZONA, NA

SHOW LOW OFFICE (037)
SHOW LOW, ARIZONA

8220140428

For

Jon Chery

MP

1 2 2 1 0 0 0 2 4 1 0 4 9 7 0 9 4 4 5 4 4 4

0000 1 1 7 2 2 8

0003

4042886

DEPT OF
TREASURY
HOLBROOK, AZ
COMMUNITY FIRST BANK
FOR DEPOSIT ONLY
NAVAYO COUNTY TREASURER

DO NOT WRITE STAMP OR SIGN BELOW THIS LINE
FOR DEPOSIT ONLY

NOV 17 00

002050030330 111700
COMMUNITY FIRST BANK
NO 10020 N. DAKOTA
8220140428
12210000

091300036

ONE, ARIZONA, N.A.
P.O. BOX 1000

MAY 26 00

MAY 00 30

002050030330 111700
COMMUNITY FIRST BANK
NO 10020 N. DAKOTA
8220140428
12210000

COMMUNITY FIRST BANK

PAY TO THE ORDER OF
COMMUNITY FIRST BANK
HOLBROOK, AZ
FOR DEPOSIT ONLY
NAVAYO COUNTY TREASURER
8220140428
DO NOT WRITE STAMP OR SIGN BELOW THIS LINE

442

052600

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Jon Cheney</u>
COMPANY NAME	<u>White Mountain Water Co</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2000</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 91,222.48

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,663.89
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

1st

DAY OF

Jon Cheney
SIGNATURE OF OWNER OR OFFICIAL
520-537-8600
TELEPHONE NUMBER

COUNTY NAME	<u>Navajo</u>
MONTH	<u>May</u>
	<u>2001</u>

(SEAL)

MY COMMISSION EXPIRES



E

Leslie D. Slone
SIGNATURE OF NOTARY PUBLIC



LESLIE D. SLONE

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Navajo</u>	
NAME (OWNER OR OFFICIAL) <u>Jon Cheney</u>	TITLE <u>President</u>
COMPANY NAME <u>White Mtn Water Co</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>91,222.48</u>
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 4,663.39
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

Jon Cheney
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

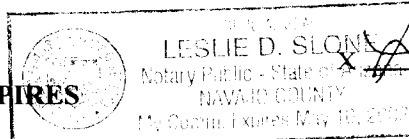
1st

DAY OF

NOTARY PUBLIC NAME <u>Leslie D. Slone</u>	
COUNTY NAME <u>Navajo</u>	
MONTH <u>May</u>	20 <u>01</u>

(SEAL)

MY COMMISSION EXPIRES



Leslie D. Slone
SIGNATURE OF NOTARY PUBLIC